

FCC Transition Committee Meeting

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Transition Committee

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Hawaiian Telecom
Verizon Business
800 Response
Windstream
Advanced Communications
Integration
CSF Corporation
Worldlink
Telesmart
Level3
Excel

DSMI
DSMI

Milestones of Transition Process

- May The Taylor Group (contracted by SMS/800, Inc) conducted an industry survey on transitioning the SMS/800 board
- June SMS/800 called for volunteers for the Transition Committee and the first Transition Committee conference call took place
- July Committee updated industry on progress
- August Committee met in person in Chicago
- July Industry update call
- September At request of Transition Committee, the current SMS/800, Inc. Board met with the Transition Committee in Boston.
- December Industry update call

Continuing meetings will be planned based on anticipated timing of election

Transition Committee's Decision Making Process

- Decisions were reached on a majority vote of the committee
- Each decision was weighed against the industry survey

Proposed Industry Board Structure

- The Board consisting of seven directors
- One representative from a Large Resp Org category
 - Large Resp Org – controls *more than* the mean (currently 75,000) of toll-free numbers
- One representative from a Small Resp Org category
 - Small Resp Org - controls *fewer than* the mean (currently 75,000) of toll-free numbers
- Two at-large representatives from the entire Resp Org and SCP Owner/Operator (SCP O/O) industry organizations
- One representative of the SCP O/Os
- Two independent directors from outside the toll-free industry customer base who will be appointed by the Industry-elected Board

Proposed Requirements for Elected Industry Board Representatives

- Commit to participate in planned meetings and conference calls (initial expectations will be monthly meetings/conference calls lasting approximately 4 hours)
- Face-to-face meetings as necessary
- Spend sufficient time to be prepared for Board meetings and calls so as to be able to participate effectively and efficiently
- Be subject to the Conflict of Interest Policy

Elected board member receive no direct or indirect compensation for service on the Board

Proposed Industry Board Elections

- One vote per Resp Org entity or SCP Owner/Operator
- Election of Large Resp Orgs, Small Resp Orgs, and SCP O/O seats will be by constituency groups
- Self-nomination process
- Requirements for placement on the ballot
 - An employee of a Resp Org or SCP O/O in good standing
 - Provision of information specified in the nomination materials (bio, disclosures about conflicts)
- Nominees should have demonstrated or documented experience in performing fiduciary duties at the corporate or organizational level and in making high-level budgetary, contractual, and/or other corporate/executive decisions
- No single company will be allowed more than one member of the board. Rules of attribution, common ownership and control will apply

Initial Board Transition Plan

Between election and pending FCC approval of tariff transfer newly elected board member will:

- Act as advisory committee to current SMS/800, Inc. board
- Develop by-laws for an industry-led SMS/800, Inc.
- Develop and implement a transition plan to prepare for its future role as Board members of SMS/800, Inc.

What is Next?

- Committee will continue to meet based on the timing of the election and to finish the design of the voting mechanism in design
- Upon approval, BOCs will file with FCC to transfer tariff from BOCs to SMS/800, Inc. with new industry board structure

Questions and Feedback

Thank you